

G. Application

All items listed below must be submitted to DED to be considered a completed application. Incomplete applications will not be processed.

1. Name, address, and telephone number of the Community Bank/CDC; list of investors (for-profit only) and board members; copy of executed articles of incorporation/by-laws; and copy of certificate of good standing by the Missouri Secretary of State.
2. Proposed type of investments to be made by the Community Bank/CDC. Generally describe the strategy proposed (type of Businesses, type of investments, outcomes/objectives, etc.) for the fund. Identify any administrative costs proposed to be funded by the Fundors' investment/contributions, such as salaries, professional services, etc. (Administrative costs are limited to 20% of total investments/contributions.)
3. Geographic designation of the Target Area. Provide a map listing the boundaries. The map should be such that street locations and census blocks are identified.
4. Describe how the Target Area meets the criteria defined in section A1.
5. Exhibit A certification of the Community Bank/CDC, and a corporate resolution authorizing the Chairman or President of the Community Bank/CDC to execute this certification; and Exhibit C (authorization of local government).
6. Approval by the Missouri Division of Community Development for the Community Bank's/CDC "Revitalization Plan". (This is not required for applications linked to outcomes in an approved federally designated Empowerment Zones or Enterprise Communities.)
7. Description of the proposed management/administration of the Community Bank's/CDCs investments. The resume(s) of the primary administrators must be provided. Also, a listing of the members of an investment review committee.

H. Issuance of the Tax Credits

The documents that must be provided to DED prior to the issuance of the credits include:

1. Submission of MO Form 135-4 (Certificate of Small Business and Community Bank Qualified Investment Tax Credit) **by each Funder**;
2. Exhibit B certification **from each Funder**;

3. (For-Profit Community Bank only): Listing of all owners and their proportionate percentage of ownership in the Community Bank;
4. A copy of the Funder's check for his/her investment in (or contribution to) the Community Bank/CDC and a copy of the deposit slip into the appropriate account.

I. Other Information

1. **Confidentiality:** DED is authorized to keep business plans and other confidential information closed to the public under Section 620.014, RSMo. The information that may be publicly disclosed is:
 - a. The name of the business; type of business; location; jobs created/retained;
 - b. Amount of the tax credits approved;
 - c. Name of the Community Bank/CDC and its Funder(s).
(**NOTE:** DED does not intend that the names of Funders will be distributed for promotion of the program, however, this information may be accessible to the legislature, state auditor, and possibly the public. However, it is the Department's intent that all efforts will be made to keep Funders confidential, unless required by law to do otherwise.)
2. **Reports:** The Community Bank/CDC is required to submit the following reports to DED:
 - a. **Annual Report:** Listing of all investments held by the Community Bank/CDC; date investment was made, amount, and type (loan, equity, etc.); and listing of all investors in the Community Bank/CDC. This report must be submitted for a period of 10 years due on each yearly anniversary from the first date a Funder received tax credits.
 - b. **3rd Anniversary Jobs Report:** Listing of all New Jobs, as described in section D8.

In the event the Community Bank fails to provide such reports, DED may require repayment of the entire amount of tax credits provided to Funders of the Community Bank, plus legal and other collection costs.
3. **Audit:** DED reserves the right to audit the documents and records of the Community Bank/CDC to ensure compliance with legal and program requirements for a period of ten years after approval.
4. **Comments:** Comments on the program should be submitted to DED at P.O. Box 118, Jefferson City, MO 65102, attention Mike Heimericks.

EXHIBIT A

CERTIFICATION OF COMMUNITY BANK/CDC Community Bank 50% Tax Credit Program

Community Bank/CDC: _____

Pursuant to the "Guidelines and Procedures" document for the Community Bank Tax Credit Program issued September 15, 1995, by the Missouri Department of Economic Development ("DED"), the Community Bank hereby certifies and agrees to the following:

1. The Community Bank agrees to comply with all rules, procedures, and penalties of the program as defined in the "Guidelines and Procedures" document. In the event any provision of the authorizing statute of this program or the guidelines were violated by the Community Bank, the Community Bank agrees to repay DED for the amount of tax credits provided to Fundors, plus any legal or collection costs associated with such repayment.
2. The investments or contributions proposed herein to receive tax credits have not yet been made to the Community Bank, and will not be made prior to DED's approval, as specified in the program guidelines.
3. The Community Bank agrees that the contributed or invested funds derived from tax credits will be limited to the eligible uses described in the Guidelines and Procedures, and that administrative costs will be limited to 20% of total investments.
4. The Community Bank agrees not to receive an investment or contribution from a Principal Owner, spouse, child or parent of such Principal Owner, or a corporation, trust, partnership, or other entity which is controlled directly or indirectly of persons related to such Principal Owner(s) for at least 3 years from the date the Principal Owner's Business received an investment from the Community Bank.
5. The Community Bank agrees to retain all documentation regarding their investments related to contributions or investments related to the tax credits are provided to a Funder. The Community Bank shall allow DED to audit any records, documents or other transactions of the Community Bank within ten years of the approval date of the application.
6. In the event the Community Bank ceases to exist as a viable corporation, materially changes its purpose, or substantially all its assets are sold or dissolved within ten years of the date tax credits were distributed to Fundors, the Community Bank agrees that DED may assume possession of any assets of the corporation limited to the amount of tax credits provided, subordinate to any secured lenders.
7. The Community Bank agrees to provide reports to DED on: (1) a listing of all New Jobs created by Businesses (due on the 3 year anniversary date a Funder first received tax credits); and (2) a listing of all investments made by the Community Bank and any dispersal of investments to Fundors (due on each 1 year anniversary date from the date a Funder first received tax credits for a period of 10 years), as described in section I(2) of the guidelines.
8. In the event any portion of a Funder's principal amount of investment is repaid within 5 years from the date the investment was made, the Community Bank must immediately repay DED an amount based on 50% of the amount repaid.

Under penalties of perjury, I declare that I have examined the application submitted to DED for the Community Bank Tax Credit Program, including accompanying exhibits, and to the best of my knowledge and belief, they are true, correct, and complete, and I hereby agree to comply with the above requirements of the program as specified above. I also certify that this document has been properly authorized by the Community Bank under the rules of its corporate charter.

Chairman/President of Community Bank/CDC Date

I hereby affirm that the person signed above is the Chairman or President of the Community Bank named above, and that the Board of Directors of such Community Bank has properly authorized the Chairman/President to execute this agreement under the rules of its corporate charter.

Secretary of Community Bank/CDC Date

(Attach resolution from Board authorizing this execution.)

EXHIBIT B

CERTIFICATION OF FUNDER Community Bank 50% Tax Credit Program

CommunityBank/CDC: _____

"Funder" means a person or corporation that makes an investment in a for-profit Community Bank, or makes a contribution to a non-profit Community Bank.

Pursuant to the "Guidelines and Procedures" document for the "Community Bank Tax Credit Program" issued September 15, 1995 by the Missouri Department of Economic Development (DED), the "Funder" hereby certifies and agrees to the following:

1. I am **not** a "Principal Owner" (as defined in the Guidelines) of the Business to receive an investment by the Community Bank.
2. The investment or contribution which I have made to the Community Bank was **not** made prior to the conditional approval of the application of the Community Bank by DED.
3. (For-Profit Community Banks only:) The investment I have made was in the form of the purchase of stock in the Community Bank, and no security or other collateral has been pledged in such transaction. I recognize the Community Bank may not repay any portion of the principal amount of my investment for a period of at least five years from the date the investment was made. I also recognize any interest or dividends paid by the Community Bank to the Funder during any year in the five year period will be limited to the amount of the investment multiplied by the current prime rate (based on Wall Street Journal) plus 2%.
4. (Non-profit Community Banks only:) I agree that no consideration or repayment of the contribution (other than the state tax credits and federal tax deduction) will be made to me or relatives or other entities that I have an ownership interest for the amount of funds contribution to the Community Bank.
5. I agree not accept any payment for any goods and services provided to the Community Bank that is above market value.
6. In the event I have violated any provision of the authorizing statute of this program or the guidelines of the Community Bank Tax Credit program, I agree to revoke any unused tax credits, and immediately repay DED the amount of tax credits used, plus any legal or collection costs incurred by DED associated with such repayment.

FUNDER:

Signature

Date

Printed Name

NOTARY:

(NOTE: If Funder is a corporation, attach a resolution of the Board authorizing the execution of this certification.)

EXHIBIT C

Local Government Endorsement Form Community Bank 50% Tax Credit Program
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The local government (city, or county if the project is not within a city) must endorse the Revitalization Plan, the designation of the Target Area, and the Community Bank's request for tax credits under this program. The local government is not obligated in any way to supervise, fund, or provide reimbursement for failed projects. The highest ranking local government official (Mayor or Presiding Commissioner) must endorse the project on behalf of the city/county.

Community Bank/CDC: _____

CITY : _____
(If Target area is not within a city, this would be County.)

Acting on behalf of the local government named above, I hereby endorse the above-named Community Bank's use of Missouri tax credits under section 135.400, RSMo under the Community Bank 50% Tax Credit program. The Revitalization Plan submitted by the Community Bank/CDC for the Target Area is consistent with plans established by the local government for redevelopment within the area. The local government makes no financial or legal obligation in this endorsement.

Signature (Local Government) Date